

**ALASKA STATE LEGISLATURE  
SENATE EDUCATION STANDING COMMITTEE**

March 29, 2021

9:06 a.m.

**MEMBERS PRESENT**

Senator Roger Holland, Chair  
Senator Shelley Hughes  
Senator Peter Micciche  
Senator Tom Begich

**MEMBERS ABSENT**

Senator Gary Stevens, Vice Chair

**OTHER LEGISLATORS PRESENT**

**COMMITTEE CALENDAR**

SENATE BILL NO. 111

"An Act relating to the duties of the Department of Education and Early Development; relating to public schools; relating to early education programs; relating to funding for early education programs; relating to school age eligibility; relating to reports by the Department of Education and Early Development; relating to reports by school districts; relating to certification and competency of teachers; relating to assessing reading deficiencies and providing reading intervention services to public school students enrolled in grades kindergarten through three; relating to textbooks and materials for reading intervention services; establishing a reading program in the Department of Education and Early Development; relating to school operating funds; relating to a virtual education consortium; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 111

SHORT TITLE: EARLY EDUCATION; READING INTERVENTION

SPONSOR(s): EDUCATION

03/24/21	(S)	READ THE FIRST TIME - REFERRALS
03/24/21	(S)	EDC, FIN
03/26/21	(S)	EDC AT 9:00 AM BUTROVICH 205
03/26/21	(S)	Heard & Held
03/26/21	(S)	MINUTE (EDC)
03/29/21	(S)	EDC AT 9:00 AM BUTROVICH 205

**WITNESS REGISTER**

ED KING, Staff  
 Senator Roger Holland  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** Presented the sectional analysis for SB 111.

**ACTION NARRATIVE**

[9:06:22 AM](#)

**CHAIR ROGER HOLLAND** called the Senate Education Standing Committee meeting to order at 9:06 a.m. Present at the call to order were Senators Hughes, Micciche, Begich, and Chair Holland.

**SB 111-EARLY EDUCATION; READING INTERVENTION**

[9:06:54 AM](#)

CHAIR HOLLAND announced the consideration of SENATE BILL NO. 111 "An Act relating to the duties of the Department of Education and Early Development; relating to public schools; relating to early education programs; relating to funding for early education programs; relating to school age eligibility; relating to reports by the Department of Education and Early Development; relating to reports by school districts; relating to certification and competency of teachers; relating to assessing reading deficiencies and providing reading intervention services to public school students enrolled in grades kindergarten through three; relating to textbooks and materials for reading intervention services; establishing a reading program in the Department of Education and Early Development; relating to school operating funds; relating to a virtual education consortium; and providing for an effective date."

CHAIR HOLLAND asked Ed King to continue the sectional analysis. He noted the committee had finished Section 9 at the last hearing.

[9:07:22 AM](#)

ED KING, Staff, Senator Roger Holland, Alaska State Legislature, Juneau, Alaska, said Section 10 is related to the approvals of early education programs and grant funding for the development of those programs.

Sec. 10 7/1/21 [Effective date]

Establishes early education programs and grants under AS 14.03, which includes the following subsections:

- AS 14.03.410(a) directs the DEED to provide training to help districts develop and approve early education programs.
- AS 14.03.410(b) authorizes DEED to award 3-year early education grants.
- AS 14.03.410(c) requires DEED to rank the districts and determine the eligibility for a targeted early education grant.
- AS 14.03.410(d) limits the number of early education programs eligible for ADM inclusion (section 21) to \$3M per year.
- AS 14.03.410(e) authorizes up to two additional years of grant funding, if the program is not able to qualify for ADM inclusion at the end of the 3-year grant.
- AS 14.03.410(f) requires DEED approval of quality standards for ADM inclusion.
- AS 14.03.410(g) makes clear that the grants are subject to appropriation.
- AS 14.03.410(h) provides definitions.
- AS 14.03.420 codifies the Parents-as-Teachers program.

MR. KING said that paragraph one of subsection (a) triggers a fiscal impact and the Department of Education and Early Development (DEED) is requesting three positions in order to implement that paragraph. Paragraph 2 of subsection (a) is the approval of district programs so they can be included in the foundation formula. Subsection (b) relates to three-year grants for pre-K, education, or early education programs that will qualify for approval under (a)(2).

9:09:30 AM

MR. KING said that subsection (c) limits the number of districts that can apply for grants. It is not until the beginning of FY24, July 1, 2023, that all 20 of the lowest-performing districts can apply. The language is slightly adjusted from previous iterations of the bill but is still clunky. He encouraged the members to consider alternative language.

9:10:21 AM

MR. KING said subsection (d) is language related to limitation of funding for ADM (Average Daily Membership) inclusion. This allows the department to make sure programs are up to the quality standards in AS 14.07.165. Those are regulations adopted by the Board of Education on the quality of early education programs. Subsection (d) limits the amount of funding for the inclusion of district students into the ADM to \$3 million per year. This is purely a way to provide a glide path rather than potentially having \$18 million hit the budget in one year. This spreads the financial impact over several years.

MR. KING said that subsection (e) allows the commissioner to permit a grant to continue for more than three years so that a district can develop a program that meets the quality standards if it has not already done so in three years.

MR. KING said that subsection (f) makes it clear that the ADM inclusion is only permitted if DEED approves a program.

9:12:18 AM

SENATOR HUGHES commented that with subsection (e), districts can get grants for five years. She asked if the legislature is saying that a district can go four years without meeting department standards. She expressed concern about allowing an additional two years. She asked how the legislature could ensure that a district would get its ducks in a row faster and not wait until year five.

MR. KING replied that once the department approves the program, the funding becomes stable and secure. As long as it is in the grant process, it is subject to appropriation and insecure. These remediation grants are less stable funding than getting the program up to quality and including it in the ADM. The incentive to get to that high quality is built into the bill.

SENATOR BEGICH said he has faith in school districts and believes that part of the reason for the remediation is that the department can look to see if the district has achieved success. He doesn't have faith that people will go into the grant program as the bill is written because the implication is that moving into the ADM formula is also unstable because of the repeal of inclusion in the ADM. A district may take the risk of having a program in the ADM formula and then it could be stuck with a pre-K program it can no longer afford because of the repeal.

SENATOR BEGICH said that his first question is about line 4 on page 6, "a district that has not received a grant under this section." Since most of this language is taken nearly word for word from SB 8, he asked why that was added.

MR. KING said the language in SB 8 divided districts into six groups and specified the year in which they could apply. There was some additional language about districts that were eligible in a previous year but didn't apply or weren't approved could continue to apply in a future year. This is just a different way to get to that same outcome. The pool in this case is 20 districts. Once districts receive grants, they are removed from eligibility. Once all 20 districts have received grants, the pool will be empty and the grants will cease.

[9:15:57 AM](#)

SENATOR BEGICH said then the pool has been decreased. This limits it to 20 of the 52 or 53 districts. He asked what the logic is for choosing 20 districts and excluding the others.

MR. KING answered that in SB 8, the first three cohorts got to 40 percent, which is not a round number when applied to 52 or 53. It left some ambiguity about which districts would be eligible or not. It made more sense to use a whole number rather than a percentage and 20 is roughly the number of the first three cohorts. It is the committee's prerogative to change the number.

SENATOR BEGICH said that the committee either believes early education works because of 10 years of evidence that has been presented to the committee showing the efficacy of high-quality pre-K vs. other forms or pre-K of it does not. If the committee does not have faith in it or believe that it has to have a termination date because it is considered experimental, he asked why that standard is not applied throughout the bill for experimental things. It doesn't. It picks specific things. So, he asked, why those 20 districts, why those 20 lowest performing districts. He asked what analysis was done to determine that.

[9:17:50 AM](#)

CHAIR HOLLAND responded said that in the last committee meeting he offered to Senator Begich that he would be happy to include more [efficacy tests]. Chair Holland thinks efficacy tests are important. He and Senator Begich will agree that pre-K programs have a vast range of quality. It is all in the execution of the program. The efficacy test will be important. He would be glad

to include more efficacy tests wherever Senator Begich cares to but thought Senator Begich was not interested in that.

SENATOR BEGICH said that he is not interested in termination dates for major policy issues. The legislature does use sunset and termination clauses for programs like the Suicide Prevention Council. Every seven years the legislature does an audit of that program and determines whether a board or commission is meeting its fiscal conditions. When the legislatures sets policy, such as whether or not there will be a kindergarten in K-12, the legislature sets no termination date. The legislature made a commitment to the policy. The problem with the way the bill is written is that it rolls into the ADM and the formula a promise of this and doesn't fulfill the promise in the long run. It makes little sense to have a sunset clause for this type of policy. When talking about quality vs low-quality pre-K, the bill has strong provisions about what is quality pre-K. So, he is drilling down and asking why the bill limits it to 20 of the lowest-performing school districts if the committee knows it works. That is his question.

9:19:56 AM

MR. KING responded that the concept is that a district can include its pre-K or early education program into the ADM if it is of high quality. Districts that already have early education programs may not go through this grant process. Some may not go through the grant process because they do not have sufficient need. The idea is that some number less than every district would need to apply. The number of districts is a policy call.

SENATOR BEGICH said that is a good answer. In section (d) they cannot all roll into the ADM because he agreed in bill discussions to limit it to \$3 million vs. the \$5 million that was in SB 8. He is agreeing to this section. It is a good subsection, but it does limit the number that could roll in, so there are a few bottlenecks. Parents as Teachers is mentioned on line 19 on page 7 to line 13 on page 8. It is repealed in Section 38. It is in this section and codified but then repealed in Section 38. He asked why Parents as Teachers is repealed in Section 38.

MR. KING replied that Parents as Teachers is codified under Section 420, which is all new language. The program doesn't exist under current law. It is funded through a collaboration with the Department of Health and Social Services (DHSS) and is in the current budget. This simply codifies the program within the Department of Education and Early Development (DEED) and

funds it accordingly. The repealer provisions throughout the bill are purely a way to change the defaults to make sure a program works for Alaska before the funding continues. There is not necessarily an intent for the repealers to take effect. Every section requires an annual report. The intent is that the legislature reviews the annual reports and the 37th legislature will decide if the repealer provisions will take effect. Although there is a repealer provision in the Parents as Teachers program, it is not necessarily the intent for that to be repealed. The default should be that funding for those programs should not continue unless they are proven to work in a unique state, such as Alaska.

9:22:58 AM

SENATOR HUGHES asked if, when the legislature sunsets boards and commissions with the idea of a review and audit process to determine whether to reauthorize them, is it a simple repeal like in SB 111 or could the bill have something about the intention for the sunset date is that the legislature do a thorough analysis. She is wondering if the bill has a typical sunset process or not.

CHAIR HOLLAND asked if Mr. King wanted to speak to the report that would be generated.

MR. KING replied that Legislative Legal can draft sunset provisions in multiple ways. In a portion of law when it is simple with no connecting and conforming language, a date in the actual language might be appropriate. The problem is that once that happens the law has language that has no effect. It is just dead language in the law. A repealer provision is a cleaner way to do it. In this bill, so many sections connect that conforming language is necessary after a repeal happens. It is not a simple repeal. There have to be reverter provisions in the bill to bring things back to the way they were if the repeals take effect. In regard to the report, at the end of the bill there is transition language that requires that DEED provide to the legislature a report before the termination of the reading interventionist specialists. That is intentional language so that the legislature gets a report from the department on the efficacy of that program before it is repealed with enough time to act before the repeal happens. If it is the committee will, that language could be expanded to include all of the other programs. Within the bill, there are other reporting requirements. The bill neglected to include an annual Parents as Teachers report. That should be included if it is the committee's intention. The other portions of the bill subject to

repeal, such as the virtual consortium, do require annual reports to the legislature so that the legislature can review the progress and efficacy of the programs and decide whether they should continue.

9:25:41 AM

SENATOR MICCICHE clarified that if a legislature before the 37th legislature decides the program is functioning and delivering as intended it can change the termination dates.

MR. KING answered that is absolutely true and the opposite is true. The legislature could terminate these programs before that date as well.

MR. KING said the \$3 million funding cap in subsection (d) is incremental funding and the roughly \$18 million that the program might cost is spread over six years. Although the funding is limited, it is more of a transition period to full funding for all [districts] rather than including everyone at the same time. There is a timing issue about whether districts are prepared to request approval for their programs immediately or whether they need to do more work to meet the quality standards for inclusion. A district that has no program at all might need three-to-five years before the program is included in the ADM whereas a larger district that already has a pre-K program might be able to apply immediately. This allows for that timing. The larger districts would include their programs in the ADM much sooner than a smaller district that is just getting started.

9:27:36 AM

MR. KING presented the analysis for Section 11:

Sec. 11 7/1/21 [Effective date] Amends AS 14.07.020(a), relating to duties of the Department of Education and Early Development, by:

- Adding supervision over early education programs.
- Adding the support and intervention requirements relating to reading intervention programs (from section 33).

MR. KING said Section 11 is about the requirements of the department. It makes a change to paragraph 8, which is general supervision over preelementary schools that receive direct state and federal funding. It changes consistently through the bill the word "preelementary" to "early education." It ensures that the programs approved under AS 14.03.410(a)(2) are also captured under this paragraph. A new paragraph on page 10, line 27-29,



paragraph 18, also directs the department to establish the reading program that is added under a later section of the bill.

9:28:36 AM

MR. KING continued with the sectional analysis:

Sec. 12 6/30/28 [Effective date] A conforming change to account for the repeal of AS 14.30.770 (reading specialists) in section 39 (the change occurs on page 13, line 13).

SENATOR BEGICH asked if AS 14.30.770 is the targeted reading program.

MR. KING answered that .770 is the reading interventionist specialists that are added by Section 33 and repealed in Section 39. Section 12 and Section 13 have different repeal dates.

Sec. 13 6/30/32 [Effective date] A conforming change to account for the repeal of AS 14.03.410 (Early education funding) in section 38.

SENATOR BEGICH referenced the deleted language on page 14, line 14 and cautioned that if indeed an earlier legislature could change repeal dates, this must conform. Otherwise, it takes away the approval process, which is connected to the higher quality prekindergarten identified later in the bill.

9:31:16 AM

MR. KING said this section it is a reference to [AS 14.03.]410(a)(2), which is approval of programs for the inclusion in the foundation formula. If the repeal of AS 14.03.410 were to take effect, then that reference to .410(a)(2) would not reference a statute. Therefore, it is a conforming amendment if that repeal were to take effect. The supervision of programs does not go away. That was addressed in Section 2. It is just the approval of programs for inclusion in the ADM that go away, not the supervision of the programs that exist under current law.

SENATOR MICCICHE asked if it would be possible to create a chart of repealer language throughout the bill so that the committee members would understand what that looks like. If this bill passes and this program is executed, it would be nice to have a clear understanding of what legislators should be looking at going forward.

CHAIR HOLLAND said that is a great idea.

MR. KING responded that he would be happy to provide some sort of graphic. The repeal date is in each part of the sectional analysis, but he can try to do something more visual. He continued the sectional:

Sec. 14 7/1/21 [Effective date] Changes AS 14.07.020(c), relating to the duties of the department, to update the term "pre-elementary school" to "early education program."

MR. KING noted that changing "pre-elementary school" to "early education program" occurs throughout the bill.

SENATOR BEGICH observed that those sort of changes were in all the bills. It was a way for the department to update its language.

MR. KING added that early education is defined later in the bill. He continued the sectional:

Sec. 15 7/1/21 [Effective date] Alters AS 14.07.050, relating to the selection of textbooks, to incorporate the new sections AS 14.30.765 and 14.30.770, which are added under section 33 of this bill.

Sec. 16 6/30/28 [Effective date] Adjusts AS 14.07.050, relating to the selection of textbooks, to conform to the repeal of AS 14.30.770 in section 39.

Sec. 17 7/1/21 [Effective date] AS 14.07.165(a), relating to the regulations adopted by the State Board of Education, is amended to establish the standards for early education programs.

MR. KING said this is not a requirement for the department to provide anything. It is just an authorization to do that. Section 16 is a reverting paragraph if the repeal takes effect. Section 17 is one of the most important sections of the bill. Paragraph (a)(5) is all new language that establishes the quality standards for early education programs in order to qualify for approval.

SENATOR BEGICH said that Section 17 has no reference back to the section that is repealed but this is also repealed. He asked if it would make more sense for the department to adopt regulations about what is a quality preschool program and leave it on the

books. He asked why repeal it because the standards do not need to be tied to a repealer.

MR. KING replied that it is not that the language becomes irrelevant. Because the department is no longer approving programs, the quality standards would not reflect any action by the department. The regulations would be in existence, but they wouldn't have a statute to reference.

[9:36:23 AM](#)

SENATOR BEGICH said that 10 or 15 years later, if the standards are repealed, it sends a message that these standards no longer matter. A critical reason why he, the commissioner, and the governor came together in the first place is that the governor believed that there were no standards. At the very least, the department sets those standards. There are various standards that set a target for school districts so the districts are at least attempting to achieve the highest standards. At the very least, this should not be part of a repeal. There is no reason for it to be repealed if it sets a higher bar for districts. It is a matter of transparency for the public.

MR. KING commented the standards could be left in and districts would have to adhere to them as a matter of policy, not for inclusion in ADM.

CHAIR HOLLAND added and for that matter, the science of reading interventions and programs could be incorporated by every district. It would be great if it did not have to be done through legislation.

SENATOR HUGHES said she would like to consider leaving it in because programs should have high standards regardless of what the legislature does.

SENATOR MICCICHE agreed. He said that even in local districts that have early education now, some people like to believe it is glorified babysitting. Standards would be important, even if this were sunsetted.

CHAIR HOLLAND shared that his office has thoughts for a committee substitute and will consider that.

SENATOR BEGICH said that it is useful for DEED to have standards for the pre-K programs it supports now. DEED has standards but they are not as strict as they could be. This would send a message to the department to standardize their approach. He has

read many studies over the past two weeks about early education. One consistent theme in the reports is inconsistency in early education programs is at the root of success or failure of those programs and their ability to work with strong reading programs.

9:40:59 AM

MR. KING said there is no committee substitute right now. Several amendments are being considered that could be included in a committee substitute.

MR. KING said Section 18 relates to reports to the legislature. Section 18 adds a paragraph for the implementation of the virtual consortium, which is added at the end of the bill. This is conforming language to include a report on the efficacy of that program.

Sec. 18 7/1/21 [Effective date] A new paragraph is added to AS 14.07.168, relating to the annual report by the state board of education to the legislature, which requires the inclusion of a review of the effectiveness of the virtual consortium added by section 36 of this bill.

MR. KING said Section 19 talks about the board and that its standards for reviewing, ranking, and approving language arts curricula and early education programs for students K-3 be based on the five components of evidence-based reading. He suggested that the committee consider removing the five components of evidence-based reading identified by the Nation Reading Panel and just inserting those five components.

Sec. 19 7/1/21 [Effective date] Amends AS 14.07.180(a), relating to school districts curricula, by requiring the board to utilize the five components of evidence-based reading instruction identified by the Nation Reading Panel (Phonemic awareness, systematic phonics, fluency, vocabulary, and comprehension instruction).

9:42:22 AM

MR. KING said Section 20 is language related to carry forward balances and allows districts to enter into cooperative agreements not just with other districts but also private businesses, non-profits, and government agencies in order to find cost efficiencies.

Sec. 20 7/1/21 [Effective date] AS 14.14.115(a), relating to cooperative arrangements, expands the ability of a school district to form agreements with private businesses,

non-profits, and government agencies, but prohibits state funds from benefiting private educational institutions.

9:43:09 AM

SENATOR BEGICH said he was correcting the record. The cooperative agreements in Section 20 are not related to the carry over. It is related to an existing law that is relatively underfunded that Senator Hughes worked to change almost four years ago. Some districts have entered into agreements. Former Commissioner Hanley is now a superintendent of two different districts, so they are sharing costs. There is an incentivized process that resources should be attached to -- \$100,000, but there is no money in the bank. Nevertheless, it is a good clause to have in the bill. The language was in SB 42. He hopes the legislature considers putting some resources into that fund to encourage and incentivize districts to share resources. On Prince of Wales Island, a couple of the school districts shared a finance officer for a number of years. It reduces overhead costs and is an efficient way for districts to operate, especially those districts that are tightly connected to each other but have very different populations.

9:44:39 AM

MR. KING said that the idea is that when a district enters a cooperative agreement, it does so to reduce its costs of operation. Those reductions in operations can lead to a carry forward balance. If the district is unable to use carry forward funds, those funds would be deducted from a future year's appropriation for basic need, for state aid. The provision is about potentially generating an increased carry forward. It is tied to carry forward because the provision later ensures that if districts are able to generate those additional reductions in cost, they are allowed to continue to use those funds. Those reductions accrue to the district and not the state.

MR. KING said Section 21 amends AS 14.17.500 to allow districts to include their student population for early education programs in the foundation formula. They are counted as one-half of a full-time equivalent student. DEED approval is required under Section 10.

Sec. 21 7/1/21 [Effective date] A new subsection is added to AS 14.17.500, relating to student count estimates, which allows districts to count early education students from approved programs at one-half of a full-time student.

Sec. 22 6/30/32 [Effective date] Sunsets the inclusion of Early education students in a district's ADM, if not extended before 2032.

9:46:31 AM

SENATOR BEGICH said Section 22 takes effect if the bill is never adjusted. He asked what the logic is behind the termination of the program at that point. He wants to make sure every district understands what this section means.

MR. KING said Section 22 is a sunset provision and it does sunset the ADM provision in 2032 if this section is not adjusted before it takes effect. Because this is a new program and a change in the foundation formula, it is prudent and financially responsible to ensure the efficacy of the program before the funding continues. The report to the legislature and consideration of a future legislature can determine whether this continues or not. If the legislature does not act, it will be repealed.

9:47:51 AM

SENATOR BEGICH said he is bringing it up because he has been given two reasons for why this is included. He has been asked why he is afraid of repealers. He is not afraid of anything. He is concerned with why a repealer is applied to a new program when it is in fact only rolling in high-quality preschool based on what has existed for 10 years in the state of Alaska and ample evidence has been presented to the committee. He asked why it is somehow thought to be experimental when there is evidence on the record that shows that common cohorts who have gone through that level of pre-K vs. those who did not in a school district with the same backgrounds have higher achievement in third grade and eighth grade. That is why he is bringing it up. He is still questioning whether this becomes a new program when in fact it applies a standard the state has been testing for over a decade. It is difficult for school districts to understand that. After this, he said he probably will only bring that up one other time.

CHAIR HOLLAND said the plan is that execution in the field will determine success of the plan. The sunset date gives the legislature a check on the execution in the field. That is the reason for a sunset date. He looks forward to seeing a future legislature addressing this and making it permanent or making a small adjustment.

9:50:20 AM

SENATOR HUGHES asked if it would be helpful if something in the bill would require not just an annual report but at a certain point near the sunset date that the department prepare an analysis and recommendation about whether the legislature should continue the pre-K program. She asked if that will that provide any assurance or more comfort to Senator Begich.

CHAIR HOLLAND replied that that goes back to the discussion of the final report.

SENATOR BEGICH said one of the provisions in the bill is that a body annually reviews all the elements of the bill, so that would be a natural place to put such a suggestion, but that exists in the bill. It has a review process. It seems like a reasonable request for all elements of the bill.

9:52:09 AM

SENATOR MICCICHE said he and Senator Begich have talked about this and he looks at it differently. It takes 11 Senate votes, 21 House votes, and the governor's signature for something to become law. A subgroup in the body would be hesitant to support this bill knowing that it goes forward into perpetuity vs. a larger subset that would be willing to support it if they knew it would be up for review and possibly not sunsetted. It is a positive thing. He said he respects that Senator Begich does not see it that way. He said he is not challenging Senator Begich's assumptions but thinking about getting the votes to pass something; it sets DEED free to prove that in every district where this occurs, where it is not occurring today, that the results are significant. Even some who might hesitantly support this now may become believers. He views it very positively. It is a way to double down in support of the program as it goes forward, when the state is not 50th anymore and when the needle moves. That is how he sees it. It can bring a lot of dedicated supporters to pre-K education in this state who will hesitantly support it today and wholeheartedly in the future.

9:54:29 AM

CHAIR HOLLAND said that as a new senator he has heard beware of the foundation formula because of unintended consequences. If it's poked here something else happens way down there. Anytime legislators protect themselves from their own mistakes is a good thing.

9:54:49 AM

MR. KING said that Section 23 is an amendment to existing language that allows districts to increase their carry forward

operating balance so that districts could deal with the influx of federal CARES (Coronavirus Aid, Relief, and Economic Security) Act funds. He understands there may be another vehicle to address that, and this section may not be necessary.

Sec. 23 7/1/21 [Effective date] Amends AS 14.17.505(a), related to unreserved year-end fund balances, to increase the allowable carryforward balance of school districts from 10% to 50% of a district's expenditures until FY27.

Sec. 24 7/1/26 [Effective date] Reduces the carry-forward allowance in AS 14.17.505(a), related to unreserved year-end fund balances, to 25% starting fiscal year 2027, unless the district qualifies for the additional carryforward provided under section 26.

Sec. 25 7/1/26 [Effective date] This is a conforming change to AS 14.17.505, to account for the addition of subsection (c) in section 26 of this bill.

Sec. 26 7/1/26 [Effective date] Adds subsection (c) to AS 14.17.505, related to unreserved year-end fund balances, which allows a district to carry an additional 25% of operating costs into a future year if the district generated the surplus by reducing noninstruction costs and submits a 3-year plan to use those funds. Districts scoring below the national average on the NAEP score for reading must use such funds for reading improvement.

[9:55:49 AM](#)

MR. KING said that Section 24 will permanently change the allowed carry forward balance to 25 percent. Section 25 is conforming language to Section 26, which is an additional 25 percent carryover on the condition that those carryover funds were not generated by a reduction to instruction. The condition is that school districts must get an approved plan for the use of that additional funding. If the district is meeting some standard for reading improvement, then the use of the funds is unconditioned. If the district is underperforming, then those additional funds would need to be used for reading improvement. The provision is tied to NAEP (National Assessment of Educational Progress) scores, which may not be readily available to districts and a different cut score is going to be needed. The department is working on language for that.

[9:57:16 AM](#)



SENATOR BEGICH said NAEP scores are not at the district level and the department is working on that. He understands the logic to try to create an incentive for success. The school district associations and school districts themselves should be asked about the practicalities of how that works out. If districts are already at the bottom of the list, districts may not meet a standard but improve reading, so the language should reflect that.

MR. KING said Section 27 is related to calculating school size factors. This makes it clear where to separate ADMs into elementary and secondary schools. Early education students would be part of elementary schools.

Sec. 27 7/1/21 [Effective date] AS 14.17.905, relating to defining a school for calculating school size factors, is amended to account for the inclusion of Early education students when defining an elementary school in a district with between 101 and 425 students.

Sec. 28 6/30/32 [Effective date] Reverses the change in section 27 to conform to the sunset provision in section 22 of this bill.

MR. KING said the state or federal funding in Section 29 refers to Head Start funding and any other state funding that might exist.

Sec. 29 7/1/21 [Effective date] Amends AS 14.17.905, relating to defining a school for calculating school size factors, to ensure that any early education students receiving alternative state or federal funding are not included in the foundation formula.

MR. KING said that Sections 30-32 are related to teacher certification. Section 30 is related to preliminary certification and requires that a teacher issued a preliminary teaching certificate for grades K-3 complete the coursework and testing requirements in evidence-based reading instruction approved by the Board of Education.

Sec. 30 7/1/21 Amends AS 14.20.015(c), related to preliminary teacher certificates, by adding a requirement that teachers with preliminary certificates complete board required coursework, training, and testing in evidence-based reading instruction.

Sec. 31 7/1/21 [Effective date] Amends AS 14.20.020(i), related to teacher certificates, to require the state board of education to periodically reevaluate the acceptable level of demonstrated competency required to issue a teacher certificate.

Sec. 32 7/1/21 [Effective date] Adds a new subsection AS 14.20.020(l), related to teacher certificates, which requires teachers to complete board required coursework, training, and testing in evidence-based reading instruction.

10:00:06 AM

SENATOR BEGICH said this is drawn nearly word for word [from SB 8]. There are some good changes in the language. A section from SB 8 said evidence-based reading "means reading instruction informed by research that supports improved educational outcomes." He asked why that language was not included. It was omitted in two sections of the bill.

MR. KING said he would need to look, but it sounds like a definitional issue. Since the definition is provided elsewhere in the statute, it may not be needed in the subsection, but he would need to confirm that.

SENATOR HUGHES said that Dr. Burk with ExcelinEd spoke about Mississippi requiring an assessment. The bill is requiring a reading instruction course and someone can get a D- and pass a course. She asked if a certain grade or assessment test should be required to make sure they are doing their best for students. Dr. Burk said until an assessment requirement, the Mississippi universities didn't teach reading the way it needed to be taught until accountability was in place.

10:02:13 AM

MR. KING replied that one change is that Section 30 has no reference to three credits. The bill simply requires that the Board of Education develop standards for the coursework, training, and testing requirements. This is intentional. It is not prescriptive language and implements a timeframe that is reasonable and attainable. More prescriptive language, such as requiring a course and the course doesn't exist, could create a conflict in executing the statute. He expects that the process will be that the board first adopt regulations and the legislature will review the regulations and determine whether

they meet its standards and if not, the language could be more prescriptive in the future.

SENATOR HUGHES responded that makes sense.

MR. KING said that Section 31 says the Board of Education must review and establish its standards for issuing teaching certificates.

MR. KING said the language in Section 32 is slightly different from the language in Section 30. The committee might consider aligning the language in each section.

MR. KING said that Section 33 is a lengthy section that adds the reading intervention services to the existing statute. It could be considered the heart of the bill or at least one of the hearts.

Sec. 33 7/1/21 [Effective date] This section adds several new sections of law related to reading intervention:

- AS 14.30.760 directs DEED to establish a statewide reading assessment and screening tool to identify students with reading deficiencies and establishes a timeline in which assessments are conducted.
- AS 14.30.765(a) directs each school district to offer intensive reading intervention services to K-3 students exhibiting a reading deficiency and communicate with parents and guardians.
- AS 14.30.765(b) directs school districts to provide individual reading improvement plans for K-3 students exhibiting a reading deficiency and defines the plan's components.
- AS 14.30.765(c) requires districts to notify a student's parents that their child has demonstrated a reading deficiency along with corresponding information about remedying the deficiency.
- AS 14.30.765(d) outlines a procedure for communicating which a child's parents about the potential need to delay promotion to fourth grade.
- AS 14.30.765(e) sets out the factors which determine if a child is ready for promotion to the fourth grade.
- AS 14.30.765(f) establishes a parental waiver to allow a student to advance to fourth grade without reading at grade level and requires an additional 20 hours of summer intervention services.

- AS 14.30.765(g) directs the department to develop a recognition program for improving reading skills.
- AS 14.30.765(h) establishes good cause exemptions for delaying promotion.
- AS 14.30.765(h) outlines the process for requesting a good cause exemption (disability, prior intervention, and ESL).
- AS 14.30.765(i) sets forth the process for requesting a good cause exemption.
- AS 14.30.765(j) requires that a child's parents receive written notification that their child did not demonstrate sufficient reading proficiency for promotion to fourth grade.
- AS 14.30.765(k) directs the district to provide additional intervention for students that do not promote or promote with a good cause or parental waiver.
- AS 14.30.765(l) establishes a policy for mid-year promotion.
- AS 14.30.765(m) requires that a student promoting mid-year continue the individual reading improvement plan.
- AS 14.30.765(n) limits retention to one year.
- AS 14.30.765(o) provide a definition for reading teacher.
- AS 14.30.770 directs the department to establish a statewide reading program, including five reading specialists to assist selected schools.
- AS 14.30.775 provides definitions.

[10:04:40 AM](#)

MR. KING said that AS 14.30.765(a) states that screeners for reading deficiencies be administered three times a year.

SENATOR BEGICH said that prior versions of the bills referred to culturally-responsive screeners. He encouraged adding that language back in. He referred to page 24, line 18, and noted that Senator Hughes prefers the word "promotion" instead of "retention."

SENATOR BEGICH said that in AS 14.30.765(e) the language is different from SB 8. He asked why it changed from "proficient" to "progress to."

MR. KING replied that between SB 8 and SB 42, there was a difference in the language, whether it was "promotion" or

"retention." Sometimes SB 111 references language from one bill and not the other. He suggested that the committee consider aligning the language throughout the bill.

SENATOR BEGICH said the section says "at grade level" vs. "proficient." Mr. King gave a reason and he is not sure it makes a material difference one way or the other.

MR. KING said the point of making that change was related to NAEP scores, which refer to proficiency. That proficiency standard is relatively high. If someone were to read the bill and interpret "proficient" as proficient on NAEP, it would result in a 75 retention rate because only 25 percent of Alaskan children are reading proficiently according to the NAEP standard. He wanted to make sure that the bill is not referencing NAEP but something the department will determine as the basis for promotion.

[10:09:55 AM](#)

SENATOR MICCICHE said this potentially is a very important part of the bill. It could add 8 percent of the cost of educating a student for each student retained in the K-12 cycle. He asked what the bill does about preventing the inability to be promoted early on. Twenty-five percent are proficient at this point. This could become an overused tool with significant fiscal impact, which is not included in the bill. That is something to keep in mind. He wants a better result. Prevention is more the key than getting to a point with many kids held back.

SENATOR HUGHES responded that the carrot is always better than the stick. Florida implemented [retention] right away and saw a rise in the children who were not ready to be promoted and then it rebalanced and Florida saw no increase. This bill delays it so there is a robust, functioning program. A child would have the opportunity to have interventions and preventions in grades K-3. The bill also allows parental override with the parent understanding that it might be tough for the child as the child moves up, but the child would have more opportunities for intervention. There would be a meeting in April and children would be given opportunities to get a certain number of hours of intervention before entering the next grade if the parent wants the child to go to the next grade. The goal is that the child would be caught up with a cohort and allowed to travel with cohort if reading is not the struggle. The idea is to keep them on track and back with their cohort. If it is done properly, the state will not see an uptick in children not being promoted.

10:13:22 AM

MR. KING said that Senator Hughes is referencing a delayed effect on a provision that happens a few sections later, where some of the "should" provisions turn into "musts." Regarding Senator Micciche's point, it is potentially possible that students need to be retained if they are not ready for promotion. It is a legislative policy if it is better to spend the extra money to make sure a child is ready for the next grade and ready for life after school or to push them through more quickly, even if they are not ready. There would be an associated cost. That additional cost would not happen until the first cohort of third graders who are retained are supposed to be graduating. There is a nine-year delay before any fiscal impact, and as Senator Hughes pointed out, there is an opportunity for students to be promoted if they do catch up, which hopefully is the outcome of this whole process. The bill is talking about preparing students from the age of four with additional reading intervention services and early assessments for those falling behind. By the time the child reaches third grade, the reading deficiency should no longer exist because of all the reading intervention services. The actual retention, hopefully, if this is effective, would be very small.

SENATOR BEGICH asked, while on the general discussion of a promotion standard, if anything like this is happening in the state.

MR. KING replied that he does not know.

10:15:38 AM

CHAIR HOLLAND shared that he has had informal discussions with teachers about this program. A lot of the more successful grade school program say they are already doing this, but not all of them.

SENATOR BEGICH said the state allows retention policies to be established at the local level, but the state does not have evidence of this program and this approach, which he and Senator Hughes are generally in agreement about, and not the approach that kicks in a later section. If the legislature is going to apply a standard of repeal for something that has been categorized as new, this is significantly more new than early education in the state of Alaska and likewise the "must" language that they will be talking about is even more experimental. If the legislators are going to apply a standard of sunset, these should also be subject to that standard. Earlier the committee talked about the age of students. That has

never been done before in the state. The examples in committee for changing the date, the age for when a person comes to school, are from foreign countries, all of which strong early education programming. But the committee didn't apply a standard there. If the committee ends up with a bill with sunset standards, then they should apply that to each of these experimental elements within the bill. Virtual education, for example, is something the state has only done in limited ways, as limited, some might argue, as the early education experience. That, too, should be subject to a sunset clause so legislators can be sure it is actually doing what it intends to do. This, for him, is the contradiction in the bill that has so frustrated him. Either it is one thing or another. If it is not consistent across the board with repealers, the bill sends a message that these things are more important than these things. If that is the case, he wants to see the evidence to ensure that those things worked, in fact, because of the experience on the ground, right here in Alaska.

CHAIR HOLLAND asked whether there is 10 years of proof that pre-K is working in Alaska.

SENATOR BEGICH replied that in the districts where it is applied with the standards laid out in this bill.

CHAIR HOLLAND said he needs Senator Begich to show that to him because he struggles to understand why Alaska is still 50th of 50 for fourth grade reading. Legislators are looking for solutions for the future.

10:19:04 AM

SENATOR BEGICH said that to humor the chair, it is because Alaska does not apply universal, voluntary pre-K in the state of Alaska. The department has a small number of grants that go out and where these standards have been consistently applied there has been success, which is precisely why the concept of the grants program and opening it up to the base student allocation was created. The chair has asked exactly the right question. Where the state has applied it, those districts have had tremendous growth. Superintendent Burgess talked about Nome in this committee. The Lower Kuskokwim School District superintendent did the same. Superintendent Bishop did as well with her experience both in the Mat-Su and Anchorage. Not every district does apply it. That is exactly the issue. He is all for doing this in a way that says this is policy and the legislature will review it. He wants the committee to do something meaningful and consistent for the people who are saying why is

the state 50th and why can't the state improve it. That was analyzed and the answer is that early education, like in Florida, where it is universal, coupled with a good, strong reading program, like Mississippi, Florida, and Colorado, can lead to outcomes that work in Alaska. Where districts are practicing that it works. That is the intent. If this bill does that, this bill will be the exact bill that he heard committee members talking about and he will be behind that bill. He wants to see consistency in the policy. That is all he is asking for.

CHAIR HOLLAND replied that is where they will have to differ because he believes that in its current form, with some tweaks that it will have with a committee substitute and amendments, this can be. He wouldn't be pursuing it if he didn't. When he came to the committee, his whole thought was everybody has been looking at education for years before he got there and he would just review the information in front of the committee. He was not interested in reinventing the wheel.

SENATOR MICCICHE said he has a fourth grader who required some reading intervention and now has accelerated beyond her grade. That makes him more comfortable. His concern lies with a child who is not prepared at the end of third grade and the parent wants the child promoted; 20 hours after three years of education will not get a child there. Hopefully that is happening much earlier in the process and the state doesn't end up with a pile of third graders who aren't going to fourth. That is his concern. This section seems to point that way, but he will think of K-2 intervention that will occur to avoid that bottleneck.

CHAIR HOLLAND said he believed the response was that any increase in expense would not be seen until students had gone through the grades.

SENATOR MICCICHE said he had heard that.

MR. KING pointed out that the intervention services in this section apply to any child with reading deficiencies identified in K-3. The reading improvement plan and intervention follow the child until the child is caught up. It does not just apply to third grade and whether the third grader should be promoted to fourth grade, although that is the defining moment. The language in the bill is very specific that that is the point when whether the child will advance or not will be determined. The process is defined in subsections (d), (e), and (f). The subsection (d) requires a parent-teacher conference to determine what that



child needs and whether the child should promote to the next grade. Subsection (e) sets the standards for determining whether the child should be promoted, but subsection (f) is where the rubber hits the road. In that parent-teacher conference, the parent has the ultimate say about promotion. The district cannot retain a child without a parent's approval. The parent must sign a waiver acknowledging that the child is not ready for the next grade and the parent agrees to add 20 more hours of reading intervention services during the summer. The promotion to fourth grade is not conditioned on completing those 20 hours or completing the reading improvement plan. It is the process by which it is determined that a child needs additional help. And if a child is promoted and not ready, those reading intervention services continue in the fourth grade.

10:25:56 AM

SENATOR HUGHES pointed out that the delay of the strong promotional policy dovetails with the three-month delay in the start age, those three extra months of maturity. She is confident that the state will not see a problem. The evidence has shown that the states willing [to have a strong promotion policy]--and they did do it too early, so they saw an initial uptick until it smoothed out--saw much more rapid rates of success as far climbing scores overall because there is not a teacher, a school principal, or superintendent who wants to see an increased number of students repeat grades. They work very hard. It is scary and perhaps it is experimental. She would be fine with a sunset date to see if it is working because she is confident that it would, based on the evidence coming out of states with strong promotion policies vs. the states that were afraid to go there. They did the intervention piece, but they didn't want to touch the strong promotion policy. They did not see the improvement that states who were willing to go there saw. She would be fine sunsetting it because she believes that teachers, principals, or superintendents will be supermotivated for success.

SENATOR MICCICHE said that he gets it on the earlier intervention. At the end of third grade, if there is still a problem, there is a process with parents. Although it is anecdotal, if not for his and his wife's commitment, he doesn't know if the earlier intervention would have been as effective. He and his wife put a lot of work into it. He asked if there is something earlier with parent involvement because that is the key to success. But not every parent can do it. Kids come from very different family structures. But for the ones who can, he asked what the bill has earlier on.

10:28:46 AM

MR. KING referred to the enumerated list of reading interventions on pages 24 and 25. The list describes what districts need to do to help those students K-3 who have been identified with a deficiency. It explicitly lays out the methods. Line 25 on page 25 states that the reading improvement plan includes the parents.

SENATOR BEGICH said parental engagement is recognized as essential all the way through. The parent is notified and provided at least 10 contacts. Page 25 has a number of different pieces that require active consultation with parents or guardians. This bill has a broader description of what is meant by parents and guardians that was in SB 8 that is consistent with other statutes. That includes extended family. Senator Micciche has a valid concern about parent engagement. As much as possible, the bill tries to engage parents.

SENATOR HUGHES asked if there would be benefit to extending the Parents as Teachers program that is for four- and five-year-olds through third grade.

SENATOR BEGICH said Parents as Teachers is an evidence-based model that is an early education model. He would rather look to other models. The department could be allowed to identify those. Parents as Teachers has a long history, but it is focused on a very narrow age group. He would not assume that those methods work for older children.

10:32:04 AM

CHAIR HOLLAND said the sectional analysis would be suspended before subsection (g).

SENATOR MICCICHE observed that many processes occur with the reading intervention programs, but he only sees notification of parents, not an active parental role, which is a concern.

CHAIR HOLLAND said the reading intervention program occurs every year and children are tested three times a year. The opportunity to draw the parents in is increased.

MR. KING referred to page 26, lines 21 and 22, of the bill.

CHAIR HOLLAND said that is another opportunity.

SENATOR HUGHES said that she looks forward to an amendment from Senator Micciche to strengthen the parental role. Perhaps there is another program besides Parents as Teachers. It is key and important.

10:33:36 AM

SENATOR BEGICH said he had clarifying comments for the next meeting. AS 14.30.765(f) establishes a parental waiver to allow a student to advance to fourth grade without reading at grade level, the waiver is only available to third graders and not to younger ages. He wants to be sure that that was the intent. For line 19, about the notification of parents, because of literacy issues with some parents, earlier bills had not said the notification would be in writing. That request for flexibility had come from school districts.

10:34:53 AM

CHAIR HOLLAND said the committee will take up the sectional analysis again at the next hearing. He held SB 111 in committee.

10:35:20 AM

There being no further business to come before the committee, Chair Holland adjourned the Senate Education Standing Committee at 10:35 a.m.